

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE AND APPLICATION OF KENTON COUNTY)	
WATER DISTRICT NO. 1 TO CONSTRUCT AN)	
EXTENSION TO SERVE APPROXIMATELY 175)	CASE NO.
CUSTOMERS, AND TO INSTITUTE A SURCHARGE)	94-409
UNDER KRS 278.023 WITH NO CHANGE IN BASIC)	
WATER RATES, IN SUB-DISTRICT B)	

O R D E R

Kenton County Water District No. 1 ("Kenton District") has moved to have the construction of certain facilities declared as "an extension in the ordinary course of business." In the alternative, Kenton District requests permission to file its application for approval of the proposed project under KRS 278.023 and to use 1993 financial information in that application.

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that the motion should be denied. Kenton District concedes that the proposed construction will cost approximately \$1,878,500 and will require Kenton District to borrow \$1,671,000 and to institute new rates for some customer groups. Given these facts, the proposed construction involves sufficient capital outlay to affect materially Kenton District's existing financial condition and thus requires a Certificate of Public Convenience and Necessity. 807 KAR 5:001, Section 9.

The Commission further finds that Kenton District's motion for a deviation to use 1993 financial information in its application is moot and requires no ruling. Commission Regulation 807 KAR 5:069 identifies the minimum filing requirements for an application filed pursuant to KRS 278.023. That regulation does not require the submission of any financial information. The requested deviation, therefore, is not required.

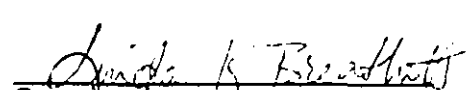
IT IS THEREFORE ORDERED that Kenton District's motion for a declaration of the proposed construction of certain facilities as "an extension in the ordinary course of business" is denied.

Done at Frankfort, Kentucky, this 13th day of December, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director